

AN ACT  
RELATING TO ELIGIBLE LENDERS FOR THE HOME OWNERSHIP ASSISTANCE  
PROGRAM FOR MILITARY MEMBERS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 16.54, subsection 4, paragraphs a and b, Code 2009, are amended to read as follows:

a. The person eligible for the program shall, for financed home purchases that close on or after July 1, 2008, use a lender that participates in the authority's applicable programs for ~~first-time~~ homebuyers or a lender approved by the authority under subsection 4A.

b. ~~If the person eligible for the program is a first-time homebuyer, then, for~~ For financed home purchases that close on or after July 1, 2008, the eligible person shall participate, if eligible to participate, in one of the authority's other applicable programs for ~~first-time~~ homebuyers. However, a person eligible for one of the authority's other applicable programs for homebuyers may use a lender that does not participate in the authority's programs for homebuyers if such lender is approved by the authority under subsection 4A.

Sec. 2. Section 16.54, Code 2009, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. a. A mortgage lender maintaining an office in the state that does not participate in the authority's programs for homebuyers may submit an application to the authority for approval to provide a mortgage loan or other financing under the home ownership assistance program or another homebuyer program, if applicable pursuant to subsection 4, paragraph "b". The authority shall prescribe a form for such applications.

b. The authority shall by rule establish criteria for the review and approval of applications submitted under this subsection, including criteria for the approval of a mortgage lender that offers an eligible person a lower annual percentage rate than the annual percentage rates available from lenders that participate in the authority's applicable programs for homebuyers.

c. The authority may determine and collect a reasonable application fee for each application submitted under this subsection. The application fees collected under this subsection shall be used exclusively for costs associated with the review and approval of applications submitted under this subsection.

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PATRICK J. MURPHY  
Speaker of the House

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JOHN P. KIBBIE  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2148, Eighty-third General Assembly.

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MARK BRANDSGARD  
Chief Clerk of the House

Approved \_\_\_\_\_, 2010

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CHESTER J. CULVER  
Governor